



# STATE OF ARKANSAS

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## Term Contract

Vendor No. 100132607  
Contact MICHAEL V. COSTA  
Your reference SP-06-0281

DISCOUNT MEDIA PRODUCTS LLC  
325 WEST LAKE ST UNIT-A  
ELMHURST IL 60126

Contract No. 4600010574  
Date 04/28/2006

Contact Mary Jane Roberts  
Telephone 501-371-6063  
Fax 501-324-9311

Our ref. ST  
Incoterms FOB  
DESTINATION

Send Invoice To:

AS SPECIFIED ON STATE AGENCY OR  
COOPERATIVE PROCUREMENT PARTICIPANT  
PURCHASE ORDER

Ship To:

Valid from: 05/15/2006  
Valid to: 05/14/2007

THIS IS A TERM CONTRACT ISSUED BY THE OFFICE OF STATE PROCUREMENT. THIS IS NOT AUTHORITY TO SHIP. A SEPARATE PURCHASE ORDER WILL BE ISSUED. THIS CONTRACT CONSTITUTES ACCEPTANCE OF YOUR BID ALONG WITH ALL TERMS AND CONDITIONS THEREIN AND SIGNIFIES THE OFFERER'S KNOWLEDGE AND ACCEPTANCE OF ALL TERMS AND CONDITIONS SET FORTH WITHIN THE REQUEST FOR QUOTATION.

REFERENCE TRACKING NUMBER:SP-06-0281  
COMMODITY: VIDEOCASSETTES  
CONTRACT TYPE:NV(TERM)

CONTRACT PERIOD: May 15, 2006 THROUGH May 15, 2007

Bidder Company Name: DISCOUNT MEDIA PRODUCTS  
Contact Name/Title: MICHAEL V. COSTA/BID MANAGER  
Address: 325 WEST LAKE STREET, UNIT-A  
ELMHURST, ILL 60126  
Telephone Number: 630-834-3113 Fax Number: 630-834-1135  
E-mail Address: MCOSTA@THETAPECOMPANY.COM  
Federal I.D or Social Security Number 02-0694013

**MINORITY BUSINESS POLICY**

Minority participation is encouraged in this and all other procurements by state agencies. Minority" is defined by Arkansas Code Annotated §1-2-503 as "black or African American, Hispanic American, American Indian or Native American, Asian, and Pacific Islander". The Division of Minority Business Enterprise of the Department of Economic Development conducts a certification process for minority businesses. Bidders unable to include minority-owned businesses as subcontractors "may explain the circumstances preventing minority inclusion.

**DELIVERY:**

**GENERAL CONDITIONS AND INSTRUCTIONS TO VENDOR:**

All purchasing rules and regulations defined by the State of Arkansas apply to this document.

*Joseph A. Didebis*  
Purchasing Official/Fiscal Officer

04-28-06  
Date

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The State of Arkansas requests delivery within 10 days after receipt of the purchase order. If this delivery cannot be met, the bidder must state the number of days required to place the commodity in the ordering agency's designated location. Failure to state the delivery time obligates the bidder to complete delivery by the agency's requested date. Extended delivery dates may be considered when in the best interest of the state.

Delivery 2-4 days after receipt of order

**MINIMUM ORDER:**

Minimum order for this contract shall be \$50.00 per purchase order. The order may consist of any assortment of items awarded to the contractor but shall require only one delivery point.

**CONTRACT PERIOD AND RENEWAL:**

The term of the proposed contract shall be from May 15, 2006 through May 14, 2007.

The Office of State Procurement reserves the option to renew this contract in accordance with the original terms and conditions, upon mutual agreement in writing for a period not to exceed one year. The State will give written notice of its intention to renew not less than thirty (30) days before the expiration of the original contract period. At the time of contract renewal, the contractor may request a price adjustment provided the contractor submits a letter from the manufacturer certifying the increased cost. Only the increased percentage will be granted. Note - in the event of a general price schedule decrease, the State shall be guaranteed full benefit of the price reduction at the time of contract renewal.

**ESTIMATED QUANTITIES:**

Quantities shown in the Invitation For Bid reflect estimates only and do not represent a firm commitment in quantity. The State reserves the right to order in any quantity unless otherwise specified by bidder; i.e., a bidder may require orders in multiples of 10 or 12 units according to box size. There are many items that are new on this contract. All new items have rough estimates whereas on the other items, quantities are based on previous year purchases.

**EXTENSION CLAUSE:**

ANY CONTRACT AWARDED FROM THE OFFERING OF THESE SPECIFICATIONS WILL BE SUBJECT TO EXTENSION FOR A PERIOD NOT TO EXCEED ONE(1) ADDITIONAL YEAR. ANY EXTENSION MUST BE MUTUALLY AGREED UPON BY THE OFFICE OF STATE PROCUREMENT AND THE CONTRACTOR. THE OFFICE OF STATE PROCUREMENT WILL NOTIFY THE CONTRACTOR BEFORE EXPIRATION OF THE CONTRACT IF AN EXTENSION IS REQUESTED. ALL PRICES WILL REMAIN FIRM FOR ANY PERIOD AGREED UPON FOR EXTENSION.

**ESCALATION CLAUSE:**

Quoted prices must remain firm for a period of one hundred-eighty (180) days after award of the contract. Thereafter, the contractor may request a price adjustment, limited to no more than one time on

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any given item in the period remaining on the contract. The contractor must submit a letter from the manufacturer justifying the increased cost. Any price adjustment granted will become effective within ten working days from date complete documentation is received by the Office of State Procurement. The same pricing agreement defined above will apply to any extension periods of the contract.

**SELLING TO COOPERATIVE PURCHASING PROGRAM PARTICIPANTS:**

Arkansas Purchasing Law provides that local public procurement units (counties, municipalities, school districts, certain not-for-profit corporations, etc.) may participate in state purchasing contracts. The contractor(s) therefore agrees(s) to sell to Cooperative Purchasing Program Participants at the option of the program participants. Unless otherwise stated, all standard and special terms and conditions listed within the Invitation For Bid must be equally applied to such participants.

**CRITERIA FOR AWARD:**

This contract will be awarded "All or None" by Group. The award will be based on the lowest responsible responsive bidder for each group.

The bidder shall list the name of sales and/or service representative below in the event assistance is required.

MICHAEL V. COSTA  
Phone # 630-834-3113 TOLL FREE NUMBER:1-888-808-8820  
FAX # 630-834-1135

**VIDEO TAPE CASSETTES:**

All types of video tape cassettes shall perform satisfactorily when used with the appropriate format (s-vhs, vhs, betacam, etc) video tape recorder; there shall be no binding of the cassette, erratic tape motion, stretching, breaking, internal looping or hang-up of tape.

**WARRANTY:**

All tapes offered must be fully guaranteed by the manufacturer to comply with all listed specifications. Any tape which is unsatisfactory in the opinion of the user, and therefore would fail to meet specifications, will be returned to the contractor for testing. If the tape is faulty, it will be replaced at no cost, and all transportation charges assumed by the contractor. A complete printed copy of the warranty is to be offered during the normal course of business to all customers.

**SUMMARY OF TOTAL SALES:**

Successful bidders will be required to submit a summary of total sales sixty (60) days prior to the termination of the contract. This summary will specify quantity and type of tape for all orders processed. Failure to submit this data will be deemed as non-compliant with the provisions of the contract and such bidder will be ineligible for award during the next contract period.

**CRITERIA FOR CANCELLATION:****GENERAL CONDITIONS AND INSTRUCTIONS TO VENDOR:**

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Any vendor, subsequent to award of any portion of the contract resulting from this bid, who does not comply with any part of the terms and conditions (both general and special), may receive immediate notice of cancellation. Agency personnel will be instructed to notify this office in writing of any action which it deems not in compliance. A vendor will be notified in writing of any complaint lodged against him and shall have the right of appeal to the Administrator of State Procurement. The Administrator shall be the final authority of the validity of the complaint and shall determine if the cancellation shall stand if appealed.

### VIDEO TAPE CONTAINERS:

Three types of containers are referenced and are defined as follows:

Sleeve: is for in-house use and may be made of cardboard, plastic, or other materials.

Hanger/Shipper Box: is intended to be used for shipping purposes with no additional packaging required. Case should be of a double-wall blow-molded construction postal approved for shipping. It should have a slide latch to assure positive locking during shipment. In addition, it should have some method of interlocking the cases for carrying more than one case without sliding.

Album Box: is a plastic box designed for in-house use with a one-third pocket on the front for labeling information.

Item	Material/Description	Target Qty	UM	Unit Price	Amount
0310	10121026 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,6MIN BCT-MX SERIES, FUJI FJ-BETACAM-6IMX	250	each	8.90	\$ 2,225.00
0320	10121027 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,12MIN BCT-MX SERIES, FUJI FJ-BETACAM-12IMX	250	each	9.39	\$ 2,347.50
0330	10121028 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,22MIN BCT-MX SERIES, FUJI FJ-BETACAM-22IMX	500	each	9.98	\$ 4,990.00
0340	10121029 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,32MIN BCT-MX SERIES, FUJI FJ-BETACAM-32IMX	500	each	10.82	\$ 5,410.00
0350	10121120 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,60MIN BCT-MX SERIES, FUJI FJ-BETACAM-60IMX	500	each	14.06	\$ 7,030.00
0360	10121121 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,64MIN	500	each	19.78	\$ 9,890.00

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Item	Material/Description	Target QtyUM	Unit Price	Amount
	BCT-MX SERIES, FUJI FJ-BETACAM-64IMX			
0370	10121122 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,94MIN BCT-MX SERIES, FUJI FJ-BETACAM-94IMX	500 each	28.21	\$ 14,105.00
0380	10121123 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,124MI BCT-MX SERIES, FUJI FJ-BETACAM-124IMX	250 each	41.30	\$ 10,325.00
0390	10121124 TAPE,DIGITAL,BROADCASTING,MPEG-IMX,184MI BCT-MX SERIES, FUJI FJ-BETACAM-184IMX	250 each	59.48	\$ 14,870.00

MARY JANE ROBERTS 501-371-6063

## OUTLINE AGREEMENT AWARD TERMS AND CONDITIONS

1. GENERAL: All terms and conditions stated in the invitation for bid govern this contract.
2. PRICES: Prices are firm and not subject to escalation, unless otherwise specified in the invitation for bid.
3. DISCOUNTS: All cash discounts offered will be taken if earned.
4. TAXES: Most state agencies must pay state sales tax. Before billing, the contractor should contact the ordering agency to find out if that agency must pay sales tax. Itemize state sales tax when applicable on invoices.
5. BRAND NAME REFERENCES: The contractor guarantees that the commodity delivered is the same as specified in the bid.
6. GUARANTY: All items delivered are to be newly manufactured, in first- class condition, latest model and design, including, where applicable, containers suitable for shipment and storage unless otherwise indicated in the bid invitation. The contractor guarantees that everything furnished hereunder will be free from defects in design, workmanship, and material; that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which furnished. The contractor further guarantees that if the items furnished hereunder are to be installed by the contractor, such items will function properly when installed. The contractor also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling, and registration. The contractor's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified in the invitation for bid.

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7. AWARD: This contract award does not authorize shipment. Shipment against this contract is authorized by the receipt of a purchase order from the ordering agency. A written purchase order mailed or otherwise furnished to the contractor results in a binding obligation without further action by either party.

8. DELIVERY: The term of the contract is shown on the face of the contract award. The contractor is required to supply the state's needs during this term. The number of days required to place the commodity in the receiving agency's designated location under normal conditions is also shown. Consistent failure to meet delivery without a valid reason may cause removal from the bidders' list or suspension of eligibility for award.

9. BACK ORDERS OR DELAY IN DELIVERY: Back orders or failure to deliver within the time required may be default of the contract. The contractor must give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. If the reason is not acceptable, the contractor is in default. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere.

10.DELIVERY REQUIREMENTS: No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery shall be made during agency work hours only, 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda shall be enclosed with each shipment.

11.STORAGE: The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.

12.DEFAULT: All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Default in promised delivery or failure to meet specifications authorizes the Office of State Procurement to cancel this contract or any portion of same and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor.

13.VARIATION IN QUANTITY: The state assumes no liability for commodities produced, processed or shipped in excess of the amount specified herein.

14.INVOICING: The contractor shall submit an original and two copies of an itemized invoice showing the bid number and purchase request number when itemized in the invitation for bid. Invoices must be sent to "Invoice to" point shown on the purchase order.

15.STATE PROPERTY: Any specifications, drawing, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for the use hereunder shall remain property of the state, be kept confidential, be used only as expressly authorized, and be returned at the contractor's expense to the F.O.B. point, properly identifying what is being returned.

16.ASSIGNMENT: This contract is not assignable nor the duties hereunder delegable by either party without the written consent of the other party to the contract.

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17.OTHER REMEDIES: In addition to the remedies outlined herein, the contractor and the state have the right to pursue any other remedy permitted by law or in equity.

18.LACK OF FUNDS: The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the contractor by the state. If the state is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

19.QUANTITIES: The state may order more or less than the estimated quantity in the invitation for bid.

20.DISCLOSURE: Failure to make any disclosure required by the Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

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